

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office

June 12, 1997

LB 113

the very first line that it's well-intentioned and it's not going to produce the \$17 million that we expect. Seventeen million dollars is what's at risk and what's out there, the best estimate, that's uncollected. Obviously, if they put no effort forward, you'll collect no money. Well, what happens if they only collect a tenth of it? That's \$1.7 million. How many bills in here would that help fund for \$1.7 million? But what that really says, and the letter says is, not that we can't do it, it's that we don't want to do it. We can't do it because it will...it might involve such small amounts of money. The Department of Revenue has a computer system that's incredible that sends back refunds of two dollars. It keeps track of all the federal tapes that the federal government sends to us. It's a nonissue. But really what's here is the integrity of the Revenue Department. In the letter they say, don't trust our fiscal note because we low-balled it. So the message is, if we don't like a bill we're not going to tell you what the true costs are. And the other part of this is, that let the federal government do it. They can do it better. Well, they can't because they won't, and the reason they won't is that it's not their money. It's not the federal government's money, it's our state money. And at this point in time, for the Tax Commissioner and the Department of Revenue, they've sat on the sidelines the whole process, and they chose to do nothing. They didn't come in. They've stood by this until there was a veto. And for a Tax Commissioner not to want to enforce the revenue laws of the state or not care to do that, the closest that we can come is that that's just plain shameful. And unfortunately, that's what's occurred with the veto. I trust that we can, in the future, repair that working relationship, but the integrity of the Revenue Department has come greatly under call through this. It's going to be difficult for us in the future when we look at their fiscal notes and try to depend on their policies as we have in the past. So I...at this point in time I understand that the Governor's veto stands, that we're going to take the issue of fairness away from our Nebraska merchants where, when you shop with them, you do pay sales tax, and when you pay catalogues and compete with those Nebraska...

PRESIDENT ROBAK: One minute.

SENATOR KRISTENSEN: ...residents that you won't pay sales tax,